



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 24, 2002

### **H.R. 3896**

#### **A bill to repeal the reservation of mineral rights made by the United States when certain lands in Livingston Parish, Louisiana, were conveyed by Public Law 102-562**

*As ordered reported by the House Committee on Resources on September 12, 2002*

CBO estimates that enacting H.R. 3896 would have no significant impact on the federal budget. The bill could result in forgone offsetting receipts (a credit against direct spending); therefore, pay-as-you-go procedures would apply, but we estimate that any such effects would be negligible. H.R. 3896 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

Public Law 102-562 directed the Secretary of the Interior to convey to private landowners the surface estate to 640 acres of federal lands in Louisiana. H.R. 3896 would eliminate a provision in that law that reserved mineral rights to those lands for the federal government. In doing so, the bill effectively would convey those rights to the owners of the surface estate.

Conveying the rights to mineral resources could result in forgone offsetting receipts if, under current law, those resources would generate income from federal programs to develop them. According to the Bureau of Land Management, however, the agency currently collects no significant receipts from such programs and does not expect to do so over the next 10 years. Hence, CBO estimates that any forgone receipts under H.R. 3896 would be negligible.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.